

Economics

OCR GCSE in Economics J320

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IMPORTANT

This qualification contains one e-assessed unit A591. This unit examination is delivered electronically and taken on screen.

To offer this qualification, centres **MUST**:

1. Be a registered EDI (Electronic Data Information) user. For more information on EDI please go to the OCR website at www.ocr.org.uk or refer to the Entry Instructions within the Administrative Guide and Entry Procedures (E3) folder.
2. Be satisfied that they can run the Cambridge Assessment Connect software needed for computer-based tests on their systems. Appendix B in this specification includes a list of technical requirements. Centres must download the installation software from the OCR website prior to the start of teaching. Only registered OCR centres are able to download the installation software. This software will indicate to the centre whether or not it has the technical capability to run the Computer-based Tests.

For further guidance on requirements for computer-based tests, contact general.qualifications@ocr.org.uk

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1 About these Qualifications

This booklet contains OCR's GCSE specification in Economics for teaching from September 2009.

This GCSE is designed to inspire candidates, encouraging an interest in real world economics. The specification has been designed to be both innovative yet retain coverage of basic economic principals. It has been designed to:

- Encourage candidates to engage in the study of economics whilst developing as an independent and reflective thinker.
- Encourage candidates to recall economic knowledge and to develop their ability to apply this knowledge to real life situations, analysing and evaluating evidence in order to come to balanced reasoned judgements.
- Promote the ability to apply these skills in a contemporary situation, in a range of local, national and global contexts, whilst at the same time understanding the perspectives of different economic stakeholders.

1.1 GCSE (Full Course)

From September 2009 the GCSE is made up of **3 mandatory** units. These units are externally assessed.

These three units are:

A591: *How the Market Works*, worth 25%;

A592: *How the Economy Works*, worth 25%;

A593: *The UK Economy and Globalisation*, worth 50%.

1.2 Qualification Titles and Levels

This qualification is shown on a certificate as:

- OCR GCSE in Economics.

This qualification is approved by the regulatory authorities (QCA, DCELLS and CCEA) as part of the National Qualifications Framework.

Candidates who gain Grades D to G will have achieved an award at Foundation Level 1 (Level 1 of the National Qualifications Framework).

Candidates who gain Grades A* to C will have achieved an award at Intermediate Level 2 (Level 2 of the National Qualifications Framework).

1.3 Aims and Learning Outcomes

GCSE specifications in economics should encourage learners to be inspired, moved and changed by following a broad, coherent, satisfying and worthwhile course of study and gain an insight into related sectors. They should prepare learners to make informed decisions about further learning opportunities and career choices.

The aims of this specification are to:

- actively engage in the study of economics to develop as effective and independent learners and as critical and reflective thinkers with enquiring minds
- use an enquiring, critical approach to distinguish between fact and opinion, build arguments and make informed judgements
- apply their knowledge, understanding and skills to contemporary issues in a range of local, national and global contexts
- understand the perspectives of a range of different stakeholders in relation to economic activity
- consider the moral issues that arise as a result of the impact of economic activity on the environment and economic development
- recognise that their economic knowledge, understanding and skills helps them to understand current events and provides a basis for their role as citizens, and for the possible further study of economics.

1.4 Prior Learning/Attainment

Candidates entering this course should have achieved a general educational level equivalent to National Curriculum Level 3, or an Entry 3 at Entry Level within the National Qualifications Framework.

2 Summary of Content

2.1 GCSE Units

Unit A591: *How the Market Works*

- What is the economic problem?
- What are competitive markets?
- How do firms operate in competitive markets?

Unit A592: *How the Economy Works*

- What are the economic objectives of a government?
- How does the UK Government raise and spend its money?
- Which policies can the UK government use?

Unit A593: *The UK Economy and Globalisation*

- Why do countries own trade?
 - Why is the UK in the European Union?
 - How is the UK's international trade recorded?
 - How important is the value of a currency?
 - How does a country become competitive?
 - Why do some less developed countries struggle to achieve growth and benefit from international trade?
 - What measures may be used to support growth for less developed countries?
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3 Content

3.1 Unit A591: *How the Market Works*

This unit of the specification covers issues within microeconomics. Candidates will consider the basic economic problem and how it affects the allocation of resources in competitive markets. The unit will cover how price is determined through the forces of demand and supply and how a firm competes in the market.

It is essential that the range of content given below is demonstrated in the context of the interdependent economic behaviour of individuals, groups, organisations and governments within a local and national context.

It is important for candidates to gain an insight into economics from the real world and, therefore, throughout the course the dynamic nature of economic activity should be emphasised.

3.1.1 What is the economic problem?

This section of the specification covers the issues surrounding the basic economic problem. Candidates will consider why resources need to be allocated and how they are allocated in different market systems.

Factors of production

Candidates should be able to:

- Identify and understand examples of the four factors of production (land, labour, capital and enterprise).

Scarcity, choice and opportunity cost

Candidates should be able to:

- Understand what is meant by the basic economic problem;
- understand why and how choices are made;
- apply the concept of opportunity cost to all economic decision makers;
- show an appreciation of how resources are allocated by individuals, firms and governments.

Approaches to the economic problem

Candidates should be able to:

- Understand the meaning of primary, secondary and tertiary sectors;
- identify and explain the key features of market and mixed economies;
- identify and explain the key differences between public and private enterprises;
- understand the meaning of specialisation;
- evaluate the costs and benefits of specialisation;
- explain how and why individuals, firms and countries specialise;
- appreciate the use of money as a means of deferred payment, share of value, a unit of accounts and a medium of exchange;
- explain and evaluate the costs and benefits of individuals/firms specialising.

3.1.2 What are competitive markets?

This section of the specification considers how competitive markets work. Candidates will learn how the forces of demand and supply determine price in competitive markets.

Markets

Candidates should be able to:

- Explain what is meant by a competitive market;
- understand the implications for business(es) of operating in competitive markets;
- explain the meaning of monopoly and monopoly power;
- describe and evaluate the causes and consequences of monopoly power;
- explain and evaluate the role of government in promoting competition.

Demand

Candidates should be able to:

- Explain what is meant by demand;
 - construct an individual demand curve and a market demand curve from consumer data;
 - explain shifts of, and movements along, the demand curve;
 - understand the meaning of price elasticity of demand;
 - understand and construct graphs to illustrate price elasticity of demand;
 - understand the implications of price elasticity of demand for revenue.
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Supply	<p>Candidates should be able to:</p> <ul style="list-style-type: none"> • Explain what is meant by supply; • construct an individual firm's supply curve and a market supply curve from production data; • explain shifts of, and movements along, the supply curve; • understand the meaning of price elasticity of supply; • understand and construct graphs to illustrate price elasticity of supply; • understand the implications of price elasticity of supply on businesses.
Determination of price in competitive markets	<p>Candidates should be able to:</p> <ul style="list-style-type: none"> • Understand how the inter-relationship between market forces determines equilibrium price; • understand and explain the impact of competition on price; • explain the effects of taxes and subsidies on price and quantity in competitive markets; • explain the effects of maximum and minimum prices.
3.1.3 How do firms operate in competitive markets?	
<p>This section of the specification covers the issues firms face: costs, revenues, profits, growth and productivity. It considers the impact which such factors have upon a business operating in a competitive market. Candidates will also learn how and why labour is rewarded.</p>	
Costs, revenues and profit	<p>Candidates should be able to:</p> <ul style="list-style-type: none"> • Identify business objectives, including profit; • identify and calculate total and average, fixed and variable costs; • identify and calculate total and average revenues; • identify and calculate profit.
Productivity	<p>Candidates should be able to:</p> <ul style="list-style-type: none"> • Understand what is meant by productivity; • explain the difference between production and productivity; • explain how productivity may be increased by the specialisation of labour, the substitution of capital and worker involvement; • explain and assess the impact of competitive forces on the need for increased productivity.

Growth of firms

Candidates should be able to:

- Understand and explain the role and operation of the product market;
- evaluate the benefits and limitations of the product market;
- understand how and why firms grow in size;
- explain internal and external economies and diseconomies of scale;
- understand the implications and effects of internal and external economies of scale;
- discuss the costs and benefits of growth for a business;
- understand and explain the gains from competitive markets for firms, consumers etc.

Rewards for labour

Candidates should be able to:

- Understand and explain the role and operation of the labour market;
 - identify the differences between gross and net, and real and nominal income;
 - understand wage determination using simple demand and supply analysis;
 - explain and evaluate wage differentials within and between occupations;
 - explain and evaluate the advantages and disadvantages of a national minimum wage.
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3.2 Unit A592: *How the Economy Works*

This unit of the specification covers issues within macroeconomics. Candidates will consider three of the main variables in the economy and how these are influenced by government policy. It will cover the expenditure and revenue of government, including taxes and the effects which these have on the economy.

It is essential that the range of content given below is demonstrated in the context of the interdependent economic behaviour of individuals, groups, organisations and governments within a local and national context.

It is important for candidates to gain an insight into economics from the real world and, therefore, throughout the course the dynamic nature of economic activity should be emphasised.

3.2.1 What are the economic objectives of a government?

This section of the specification covers the variables of economic growth, employment / unemployment and inflation. Candidates will consider these with regard to their measurement, causes, consequences and the implications for government policy.

Objectives of government policies

Candidates should be able to:

- Understand the objectives of government policies i.e. maintaining full employment, ensuring price stability, achieving high economic growth and balancing exports and imports;
- understand that a combination of policies can be used to achieve an objective.

Economic growth

Candidates should be able to:

- Understand what is meant by economic growth;
- show how economic growth can be measured with reference to GDP;
- distinguish between GDP and GDP per capita;
- identify, explain and evaluate the causes of economic growth;
- identify, explain and evaluate the costs and benefits of economic growth;
- identify, explain and evaluate policies which a government can use to achieve economic growth.

Employment and unemployment	<p>Candidates should be able to:</p> <ul style="list-style-type: none"> • Understand what is meant by employment and unemployment; • explain how unemployment can be measured; • identify the types of unemployment and explain the causes of these; • explain and evaluate the consequences of unemployment; • explain and evaluate policies which a government can use to reduce unemployment.
Price stability and inflation	<p>Candidates should be able to:</p> <ul style="list-style-type: none"> • Understand what is meant by price stability, inflation and the rate of inflation; • understand how the rate of inflation can be measured with regard to the Consumer Price Index (CPI); • identify and explain the causes of inflation, including cost-push and demand-pull inflation; • evaluate the consequences of inflation, including the costs of inflation and the benefits of price stability/a low rate of inflation; • explain and evaluate policies which a government can use to control inflation and achieve price stability.

3.2.2 How does the UK Government raise and spend its money?

This section of the specification considers the main areas of government spending and looks at where the tax revenue comes from to finance this expenditure. It also covers the redistribution of incomes.

Government income and expenditure	<p>Candidates should be able to:</p> <ul style="list-style-type: none"> • Identify the main areas of UK government spending; • identify the main sources of UK government revenue; • distinguish between direct and indirect taxes; • understand the features of direct and indirect taxes, and explain and evaluate the economic effects of changes in direct and indirect taxes.
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Redistribution of income

Candidates should be able to:

- Understand what is meant by the distribution and redistribution of income;
- understand why incomes are unevenly distributed;
- understand the difference between progressive, proportional and regressive taxes;
- explain how redistribution of income can be achieved through taxation and government spending, including transfer payments;
- evaluate the consequences of redistribution measures.

Correcting market failure

Candidates should be able to:

- understand that production and consumption can lead to negative externalities, including pollution and congestion;
- explain and evaluate policies to correct market failure, with particular regard to positive and negative externalities.

3.2.3 Which policies can the UK government use?

This section of the specification covers government policies which affect the macroeconomy, and complements the previous two sections of this unit.

Fiscal policy

Candidates should be able to:

- Understand what is meant by fiscal policy;
- understand how a government can achieve a balanced budget, a budget surplus or a budget deficit;
- explain and evaluate the effects of fiscal policy on the economy.

Monetary and interest rate policy

Candidates should be able to:

- Understand what is meant by money and interest rates;
- Understand that there are many different rates of interest;
- Understand the reasons why there are different rates of interest;
- understand what is meant by interest rate policy;
- understand how interest rate policy works to achieve a target rate of inflation;
- explain and evaluate the effects of interest rate policy on the economy.

Supply side policies

Candidates should be able to:

- Understand what is meant by supply side policies;
 - give examples of supply side policies and explain how they work;
 - explain and evaluate the effects of supply side policies on the economy.
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- Compare fiscal, monetary and supply side policies;
 - understand that measures to achieve one policy objective might have adverse effects on other policy objectives.
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3.3 Unit A593: *The UK Economy and Globalisation*

This unit of the specification covers the UK Economy and Globalisation and builds on the knowledge and skills gained in units A591 and A592. Candidates will look at trade and its implications, at a local, national and global level.

3.3.1 Why do countries trade?

This section of the specification covers the reasons for international trade, globalisation and protectionism, including the work of the World Trade Organisation.

Globalisation

Candidates should be able to:

- Explain what is meant by globalisation;
- evaluate the factors which have contributed to the growth of globalisation, including the impact of new technology;
- give examples of, and explain what is meant by, a multi-national company;
- evaluate the role of multi national companies in globalisation.

International specialisation and trade

Candidates should be able to:

- Understand the meaning of specialisation;
- understand and apply the principles of absolute advantage (calculations of absolute advantage are not required);
- appreciate the advantages of trade and the consequences of global interdependence;
- explain the possible negative externalities associated with trade, eg increased pollution.

World Trade Organisation

Candidates should be able to:

- Explain what is meant by Free Trade;
- evaluate the arguments for Free Trade;
- understand the role of the World Trade Organisation in promoting free trade.

Patterns of trade

Candidates should be able to:

- Explain what is meant by an import and an export;
- identify the UK's main imports and exports with the EU and the rest of the world;
- evaluate the impact of changes in trading patterns on the UK and the EU;
- evaluate the potential impact of China and India on patterns of world trade.

Protectionism

Candidates should be able to:

- Understand the reasons for protection;
 - identify the methods of protection, such as tariffs and quotas;
 - evaluate the methods of protection.
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3.3.2 Why is the UK in the European Union?

This section of the specification covers the UK and the EU, including implications for membership of the single currency.

Membership of the EU

Candidates should be able to:

- Identify the member countries of the EU and the eurozone;
- explain and evaluate the advantages and disadvantage of the single market;
- explain and evaluate the advantages and disadvantages of the single currency.

3.3.3 How is the UK's international trade recorded?

This section of the specification covers the balance of payments, including reasons for and methods of rectifying a balance of payments deficit.

Balance of payments

Candidates should be able to:

- Identify the components of the current account;
- calculate the balance of trade in goods, the balance of trade in services and the current account balance.

Balance of payments deficit

Candidates should be able to:

- Explain what is meant by a balance of payments deficit and surplus;
- understand the reasons for a balance of payments deficit;
- evaluate the methods of rectifying a balance of payments deficit.

3.3.4 How important is the value of a currency?

This section of the specification covers exchange rates, including the impact of changes in the value of a currency on international trade.

Exchange rates

Candidates should be able to:

- Explain what is meant by an exchange rate;
- illustrate how exchange rates are determined through the interaction of demand and supply;
- understand how exchange rates may be influenced by interest rates;
- explain and evaluate the impact of changes in exchange rates on trade and international competitiveness.

3.3.5 How does a country become more competitive?

This section of the specification covers international competitiveness, including the importance of achieving macroeconomic objectives to facilitate sustained growth and an evaluation of the impact of globalisation on the UK economy.

Factors influencing competitiveness

Candidates should be able to:

- Appreciate the importance of wages and relative unit labour costs;
- understand the importance of the exchange rate;
- understand the importance of productivity;
- understand the importance of other costs.

Government policy and international competitiveness

Candidates should be able to:

- Understand the importance of low inflation;
- understand the importance of sustainable economic growth;
- understand the importance of incentives for investment;
- appreciate the importance of investment in education and training;
- discuss and evaluate government policies aimed at improving UK international competitiveness.

The UK and globalisation

Candidates should be able to:

- Evaluate the extent to which globalisation has benefited the UK.

3.3.6 Why do some less developed countries struggle to achieve growth and benefit from international trade?

This section of the specification covers the concepts of absolute and relative poverty, including why some countries are excluded from enjoying the benefits of globalisation.

Poverty

Candidates should be able to:

- Explain the difference between absolute and relative poverty;
- explain absolute poverty and relative poverty;
- discuss and evaluate the impact of policies aimed at reducing poverty.

Limits to benefiting from globalisation

Candidates should be able to:

- Evaluate such factors as poor infrastructure, poor education and training, health and population problems, debt, weak government and corruption, low inward investment, lack of foreign currency, etc.

3.3.7 What measures may be used to support growth for less developed countries?

This section of the specification covers 'aid versus trade' and an evaluation of ways in which less developed countries may be supported to enjoy greater economic prosperity.

Ways of supporting growth

Candidates should be able to:

- Evaluate factors such as
 - aid,
 - trade,
 - debt relief,
 - investment,
 - help with investment in human capital,
 - fair trade schemes,
 - non-government organisations.

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4 Schemes of Assessment

4.1 GCSE Scheme of Assessment

GCSE Economics J320	
Unit A591: <i>How the market works</i>	
25% of the total GCSE marks 1 hr written paper 60 marks	<p>This question paper consists of semi structured questions:</p> <p>Candidates are required to answer three semi structured questions; each question is based on a particular theme or case study and will include some short answers and some data interpretation questions as well as some extended prose. Each question is out of 20 marks. This unit is assessed through a computer based test.</p> <p>This unit is externally assessed via Computer Based Assessment.</p> <p>All questions are mandatory</p>
Unit A592: <i>How the economy works</i>	
25% of the total GCSE marks 1 hr written paper 60 marks	<p>This question paper consists of three semi structured questions:</p> <p>Candidates are required to answer three semi structured questions; each question is based on a particular theme or case study and will include some short answers and some data interpretation questions as well as some extended prose. Each question is out of 20 marks.</p> <p>This unit is externally assessed.</p> <p>All questions are mandatory</p>
Unit A593: <i>The UK Economy and Globalisation</i>	
50% of the total GCSE marks 1 hr 30 minutes written paper 80 marks	<p>Candidates are required to answer questions based upon pre-released stimulus material. Some questions may involve data interpretation.</p> <p>This unit is externally assessed.</p> <p>All questions are mandatory</p>

4.2 Entry Options

GCSE candidates must be entered for all 3 units.

Candidates must be entered for certification to claim their overall GCSE Qualification grade. All candidates should be entered under the following certification code:

OCR GCSE in Economics – J320.

4.3 Tiers

This scheme of assessment is untiered, covering all of the ability range grades from A* to G. Candidates achieving less than the minimum mark for Grade G will be ungraded.

4.4 Assessment Availability

There is one examination series each year, in June.

GCSE units will be assessed from 2010.

4.5 Assessment Objectives

Candidates are expected to demonstrate the following in the context of the content described:

AO1 Demonstrate Knowledge and Understanding

- Recall, select and communicate their knowledge and understanding of concepts, issues and terminology;

AO2 Apply Knowledge and Understanding

- Apply skills, knowledge and understanding in a variety of contexts;

AO3 Analyse and Evaluate Evidence

- Analyse and evaluate evidence, make reasoned judgements and present appropriate conclusions.

AO weightings – GCSE

The relationship between the components and the assessment objectives of the scheme of assessment is shown in the following grid.

Unit	% of GCSE			Total
	AO1	AO2	AO3	
Unit A591: <i>How the Market Works</i>	9	9	7	25%
Unit A592: <i>How the Economy Works</i>	9	9	7	25%
Unit A593: <i>The UK Economy and Globalisation</i>	16.66	16.66	16.66	50%
	34.6%	34.6%	30.66%	100%

4.6 Quality of Written Communication

Quality of written communication is assessed in all units.

Candidates are expected to:

- ensure that text is legible and that spelling, punctuation and grammar are accurate so that meaning is clear;
- present information in a form that suits its purpose;
- use a suitable structure and style of writing.

The quality of written communication covers clarity of expression, structure of arguments, presentation of ideas, grammar, punctuation and spelling. It is one of the criteria used to determine the place of a response within a level in mark schemes.

5 Technical Information

5.1 Making Unit Entries

Please note that centres must be registered with OCR in order to make any entries, including estimated entries. It is recommended that centres apply to OCR to become a registered centre well in advance of making their first entries.

It is essential that unit entry codes are quoted in all correspondence with OCR.

Unit Entry code	Unit titles	Component code	Assessment Type
A591	<i>How the Market Works</i>	01	<i>Computer Based Test</i>
		02	<i>Paper Based Test</i>
A592	<i>How the Economy Works</i>	N/A	<i>Paper Based Test</i>
A593	<i>The UK Economy and Globalisation</i>	N/A	<i>Paper Based Test</i>

5.2 Terminal Rules

Candidates must take at least 40% of the assessment in the same series they enter for the full course qualification certification.

The 40% Terminal rule for GCSE Economics means the following combination of units have to be taken at the end of the 2 year GCSE course:

Either:

Unit A591 (25%) + Unit A592 (25%)

Or

Unit A593 (50%)

Or

All 3 units

5.3 Unit and Qualification Re-sits

Candidates may re-sit each unit once before entering for certification for a GCSE.

Candidates may enter for the full qualifications an unlimited number of times.

5.4 Making Qualification Entries

Candidates must enter for qualification certification separately from unit assessment(s). If a certification entry is **not** made, no overall grade can be awarded.

Candidates may enter for:

- GCSE certification (entry code J320).

A candidate who has completed all the units required for the qualification must enter for certification in the same examination series in which the terminal rules are satisfied.

GCSE certification is available from June 2011.

5.5 Grading

GCSE results are awarded on the scale A*-G. Units are awarded a* to g. Grades are awarded on certificates. However, results for candidates who fail to achieve the minimum grade (G or g) will be recorded as *unclassified* (U or u) and this is **not** certificated.

GCSE are unitised schemes. Candidates can take units across several different series provided the terminal rules are satisfied. They can also re-sit units or choose from optional units available. When working out candidates' overall grades OCR needs to be able to compare performance on the same unit in different series when different grade boundaries have been set, and between different units. OCR uses a Uniform Mark Scale to enable this to be done.

A candidate's uniform mark for each unit is calculated from the candidate's raw marks on that unit. The raw mark boundary marks are converted to the equivalent uniform mark boundary. Marks between grade boundaries are converted on a pro rata basis.

When unit results are issued, the candidate's unit grade and uniform mark are given. The uniform mark is shown out of the maximum uniform mark for the unit e.g. 54/60.

The specification is graded on a Uniform Mark Scale. The uniform mark thresholds for each of the assessments are shown below:

(GCSE) Unit Weighting	Maximum Unit Uniform Mark	Unit Grade								u
		a*	a	b	c	d	e	f	g	
50%	120	108	96	84	72	60	48	36	24	0
25%	60	54	48	42	36	30	24	18	12	0

Candidate's uniform marks for each module are aggregated and grades for the specification are generated on the following scale.

Qualification	Qualification Grade							U
	Max UMS	A*	A	B	C	D	E	
GCSE	240	216	192	168	144	120	96	0

Awarding Grades

The written papers will have a total weighting of 100%.

The candidate's grade will be determined by the total uniform mark.

5.6 Result Enquiries and Appeals

Under certain circumstances, a centre may wish to query the grade available to one or more candidates or to submit an appeal against an outcome of such an enquiry. Enquiries about unit results must be made immediately following the series in which the relevant unit was taken.

For procedures relating to enquires on results and appeals, centres should consult the *Administrative Guide for General Qualifications* and the document *Enquiries about Results and Appeals – Information and Guidance for Centres* produced by the Joint Council. Copies of the most recent editions of these papers can be obtained from OCR.

5.7 Shelf-Life of Units

Individual unit results, prior to certification of the qualification, have a shelf-life limited only by that of the qualification.

5.8 Guided Learning Hours

GCSE Economics requires 120-140 guided learning hours in total.

5.9 Code of Practice/Subject Criteria/Common Criteria Requirements

These specifications comply in all respects with the current *GCSE, GCE and AEA Code of Practice* as available on the QCA website, *The Statutory Regulation of External Qualifications 2004* and the subject criteria for GCSE Economics.

5.10 Prohibited Qualifications and Classification Code

Candidates who enter for the OCR GCSE specifications may not also enter for any other GCSE specification with the certification title *Economics* in the same examination series.

Every specification is assigned to a national classification code indicating the subject area to which it belongs.

The classification code for these specifications is 4410.

Centres should be aware that candidates who enter for more than one GCSE qualification with the same classification code will have only one grade (the highest) counted for the purpose of the School and College Achievement and Attainment Tables.

5.11 Disability Discrimination Act Information Relating to this Specification

GCSEs often require assessment of a broad range of competences. This is because they are general qualifications and, as such, prepare candidates for a wide range of occupations and higher level courses.

The revised GCSE qualifications and subject criteria were reviewed to identify whether any of the competences required by the subject presented a potential barrier to any disabled candidates. If this was the case, the situation was reviewed again to ensure that such competences were included only where essential to the subject. The findings of this process were discussed with disability groups and with disabled people.

Reasonable adjustments are made for disabled candidates in order to enable them to access the assessments and to demonstrate what they know and can do. For this reason, very few candidates

will have a complete barrier to the assessment. Information on reasonable adjustments is found in *Regulations and Guidance Relating to Candidates who are Eligible for Adjustments in Examinations* produced by the Joint Council www.jcq.org.uk.

Candidates who are unable to access part of the assessment, even after exploring all possibilities through reasonable adjustments, may still be able to receive an award based on the parts of the assessment they have taken.

Candidates with a visual impairment may find this subject difficult to access fully.

CBT access: at the moment, the only adaptation that can be made to the on screen unit is the allowance of extra time. For other access arrangements, it may be more appropriate to request a hard copy of the paper.

5.12 Arrangements for Candidates with Particular Requirements

Candidates who are not disabled under the terms of the DDA may be eligible for access arrangements to enable them to demonstrate what they know and can do. Candidates who have been fully prepared for the assessment but who are ill at the time of the examination, or are too ill to take part of the assessment, may be eligible for special consideration. Centres should consult the *Regulations and Guidance Relating to Candidates who are Eligible for Adjustments in Examinations* produced by the Joint Council.

5.13 Computer-based Tests

Please use the information in Appendix B to ensure that the centre has the technical capability to administer the computer-based tests required for this specification. **Please note it is the responsibility of the Head of Centre to ensure that the centre is appropriately equipped to administer the tests in terms of system requirements and venue requirements.** The Examinations Officer within the centre is responsible for the conduct of the computer-based tests within the bounds of the Instructions for the Conduct of Examinations issued by the Joint Council for Qualifications.

Any queries concerning computer-based tests should be directed to etest@ocr.org.uk.

6 Other Specification Issues

6.1 Overlap with other Qualifications

There is a small degree of overlap between the content of these specifications and those for GCSE Business studies specifications

6.2 Progression from these Qualifications

GCSE qualifications are general qualifications which enable candidates to progress either directly to employment, or to proceed to further qualifications.

Progression to further study from GCSE will depend upon the number and nature of the grades achieved. Broadly, candidates who are awarded mainly Grades G to D at GCSE could either strengthen their base through further study of qualifications at Level 1 within the National Qualifications Framework or could proceed to Level 2. Candidates who are awarded mainly Grades C to A* at GCSE would be well prepared for study at Level 3 within the National Qualifications Framework.

6.3 Spiritual, Moral, Ethical, Social, Legislative, Economic and Cultural Issues

This specification has been designed in such a way as to include, where appropriate, the spiritual, moral, ethical, social and cultural dimensions of Economics.

The strengths and weaknesses of the market economy are considered in sections in Unit A391, *How the Economy Works*.

The quality of life and the distribution of wealth and/or income between groups within a society are considered in all Units, in unit A591 in the section 'How do firms operate in competitive markets?', in Unit A592, 1 in the section What are the economic objectives of a government and in Unit A593, throughout

Reference is made to the fairness of the rewards paid to labour in unit A591 in the section How do firms operate in competitive markets? And in unit A593, What measures may be used to support growth for less developed countries.

6.4 Sustainable Development, Health and Safety Considerations and European Developments, consistent with international agreements

This specification does not specifically address health and safety issues. However, it does support other issues in the following topics:

OCR has taken account of the 1988 Resolution of the Council of the European Community in preparing this specification and associated specimen assessments. European examples should be used where appropriate in the delivery of the subject content. Relevant European legislation is identified within the specification where applicable.

This specification is intended to support the European Dimension in Economics. Material relevant to the European economy may be utilised throughout the specification to aid the development of knowledge and understanding, and specific reference is made to the European Union in Unit 3, sections, 'Why is the UK in the European Union?', and 'Why do countries trade?'

Reference might be made to such issues, such as sustainable development, when considering 'How does a country become more competitive?', 'Why do countries trade?', and 'Why do some less developed countries struggle to achieve growth and benefit from international trade?'

6.5 Avoidance of Bias

OCR has taken great care in preparation of these specifications and assessment materials to avoid bias of any kind.

6.6 Language

These specifications and associated assessment materials are in English only.

6.7 Key Skills

This specification provides opportunities for the development of the Key Skills of *Communication*, *Application of Number*, *Information Technology*, *Working with Others*, *Improving Own Learning and Performance* and *Problem Solving* at Levels 1 and/or 2. However, the extent to which this evidence fulfils the Key Skills criteria at these levels will be totally dependent on the style of teaching and learning adopted for each unit.

The following table indicates where opportunities may exist for at least some coverage of the various Key Skills criteria at Levels 1 and/or 2 for each unit.

Unit	C		AoN		IT		WwO		IoLP		PS	
	1	2	1	2	1	2	1	2	1	2	1	2
A591	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
A592	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
A593	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Detailed opportunities for generating Key Skills evidence through this specification are posted on the OCR website (www.ocr.org.uk). A summary document for Key Skills Coordinators showing ways in which opportunities for Key Skills arise within GCSE courses has been published.

6.8 ICT

In order to play a full part in modern society, candidates need to be confident and effective users of ICT. Where appropriate, candidates should be given opportunities to use ICT in order to further their study of Economics.

The assessment of this course requires candidates to:

ICT Application/Development	Opportunities for using ICT during the course
Search and select information	Through researching case studies in A593.
Manipulation of information	Within the assessment for A591.

6.9 Citizenship

Since September 2002, the National Curriculum for England at Key Stage 4 has included a mandatory programme of study for Citizenship. Parts of this Programme of Study may be delivered through an appropriate treatment of other subjects.

This section offers guidance on opportunities for developing knowledge, skills and understanding of citizenship issues during the course. These opportunities are also indicated within the content of:

Citizenship Programme of Study	Opportunities for Teaching Citizenship Issues during the Course

1e – How the economy functions, including the role of business and financial services.	The entire specification comes within this element of the programme of study. Any study of Economics must cover this element of the programme of study. The process of teaching and learning about the economic problem, the competitive market, the economic objectives of Government within the UK and the European and international setting will provide excellent coverage of this element of the programme of study.
1h - The rights and responsibilities of consumers, employers and employees.	Opportunities to cover this element of the programme of study within the specification can be found in the economic problem the competitive market, how firms operate in a competitive market?, and also in what are the economic objectives of a government?
1i - The UK's relations with the European Union, and relations with the Commonwealth and the UN.	Opportunities to cover this element of the programme of study within the specification can be throughout the specification, mainly in all sections of unit A393 The UK Economy and Globalisation
1j - The wider issues and challenges of global interdependence and responsibility, including sustainable development and Local Agenda 21.	Opportunities to cover this element of the programme of study within the specification can again be found throughout the specification, mainly in all sections of unit A393 The UK Economy and Globalisation.
2a - Research a topical political, spiritual, moral, social or cultural issue, problem or event by analysing information from different sources, including ICT-based sources, showing an awareness of the use and abuse of statistics.	There are opportunities for candidates to research a problem within an economic context throughout this specification. There are opportunities to analyse information from a range of sources (including ICT) when studying, for example, what is the economic problem?, what are the economic objectives of a government?, and why do countries trade?. It is important that candidates are taught to understand the extent to which any statistics and data obtained during this research are valid and/or useful.
2b - Express, justify and defend orally and in writing a personal opinion about such issues, problems or events.	There are opportunities for group discussion and the presentation of written reports within a number of aspects of this specification.
2c - Contribute to group and exploratory class discussion, and take part in formal debates.	There are similar opportunities to those identified in 2b above for candidates to take part in a group or exploratory class discussion and/or formal debate.
3a - Use their imagination to consider other people's experiences and be able to think about, express, explain and critically evaluate views that are not their own.	An opportunity to consider other people's experiences and to be able to review the views of others might arise within this specification, for example, when studying why do some less developed countries struggle to achieve growth and benefit from international trade?
3c - Reflect on the process of thinking.	Opportunities exist within this specification to reflect on candidates' participation in, for example, discussions and debates, or in those areas of study identified in 2a, 2b and 2c above.

Appendix A: Grade Descriptions

Grade descriptions are provided to give a general indication of the standards of achievement likely to have been shown by candidates awarded particular grades. The descriptions must be interpreted in relation to the content in the specification; they are not designed to define that content. The grade awarded will depend in practice upon the extent to which the candidate has met the assessment objectives overall. Shortcomings in some aspects of the assessment may be balanced by better performance in others.

The grade descriptors have been produced by the regulatory authorities in collaboration with the awarding bodies.

Grade A

Candidates recall, select and communicate detailed knowledge and thorough understanding of a wide range of concepts, theories and issues. They use economic terminology appropriately and accurately.

They select and organise information appropriately from a wide variety of sources to investigate economic behaviour in a variety of contexts. They use a wide range of skills appropriately and apply their knowledge and critical understanding effectively to address problems and issues.

They use and evaluate quantitative and qualitative evidence effectively with a high degree of accuracy to analyse problems and issues, make informed and reasoned judgements, and to present reasoned and substantiated conclusions.

Grade C

Candidates recall, select and communicate sound knowledge and understanding of a range of concepts, theories and issues. They use economic terminology appropriately.

They select and organise information from a variety of sources to investigate economic behaviour in different contexts. They use a range of skills and apply their knowledge and understanding relevantly to address problems and issues.

They use and evaluate evidence to analyse problems and issues with some accuracy, make reasoned judgements and present conclusions that are supported by evidence.

Grade F

Candidates demonstrate limited knowledge and understanding of some concepts, theories, terminology and issues. They use some basic economic terminology.

They show some ability to select and organise simple information to investigate economic behaviour. They use a limited range of skills and apply some knowledge and understanding to begin to address problems and issues.

They identify simple evidence to address problems and issues, and make judgements. They present simple conclusions that are sometimes supported by evidence.

DRAFT

Appendix B: Centre Audit for Running Computer-Based Tests

Please use this information to ensure that the centre has the technical capability to administer the computer-based tests required for this specification. **Please note it is the responsibility of the Head of Centre to ensure that the centre is appropriately equipped to administer the tests in terms of system requirements and venue requirements.** The Examinations Officer within the centre is responsible for the conduct of the computer-based tests within the bounds of the Instructions for the Conduct of Examinations issued by the Joint Council for Qualifications.

If there are any difficulties in completing the audit, please contact etest@ocr.org.uk.

Requirements for OCR Computer-based Tests

- *Ensure that the Head of Centre, Examinations Officer, Systems Manager/Technician, subject teacher and SENCo (if appropriate) are clear about what is involved.*
- *Check that the centre can meet the technical and venue requirements.*

It is essential that all stakeholders within the Examination Centre plan the process for running computer-based tests carefully and methodically. The technical set up of the hardware and software is likely to take a little time and application and so should be carried out well in advance to allow for any technical issues to be resolved in good time.

Before starting teaching the specification – planning and approval

1. Agree who is to be the Test Administrator, responsible for making sure that the tests are conducted properly. The Examinations Officer may fulfil this role or may delegate it to a colleague.
2. Audit the centre against the Centre Check list. This checks that the centre is able to meet the technical eligibility requirements. The school or college Systems Manager/Technician must be part of this process.
3. Ensure that the member of staff responsible for the Centre Network is aware of the plan to use computer-based testing. Consider the implications of using computer-based testing carefully.

Before entries are made for a Computer-based Test – setting up

1. The Technician must ensure that the necessary hardware and software has been set up before entries are made. The set up must be done according to the instructions provided with the software.
2. The Technician installs the software according to instructions and runs all necessary diagnostic tests.
3. The Technician checks that the programs are running correctly and communicating properly with each other and the outside world.
4. The Technician checks that the software is running properly on the machines to be used for the live computer-based tests. It is important that an early decision is made on which room and equipment is to be used for the live tests.
5. Entries are made following the usual procedure, ahead of the entries deadline.

At least one month before the test date

The subject teacher and Test Administrator run a practice test for candidates so that they are familiar with the format and look of computer-based tests.

Prior to the live test

1. The Test Administrator and technician ensure that all hardware and software is running appropriately in the room where the tests are to take place.
2. The Test Administrator and technician ensure that they understand the process for downloading and accessing the live tests.
2. The Test Administrator checks the mouse, keyboard, screen and headphones (if required) on each candidate workstation.

On the day of the test

1. The Test Administrator runs the tests according to the instructions and within the bounds of the Instructions on the Conduct of Examinations document provided by Joint Council for Qualifications.
2. The Test Administrator uploads candidates' responses according to the instructions.

CENTRE CHECKLIST FOR RUNNING COMPUTER-BASED TESTS

Technical Requirements	
Minimum Requirements for each Candidate Computer	
Processor speed	1.0 GHz
Memory (RAM)	128MB RAM (256 MB recommended)
Hard Disk space	At least 250Mb of available hard disk space
Operating System	Windows XP/2000/2003
Browser	Internet Explorer 6 (or above)
Display	High colour 32 bit display or better. Resolution 1024 x 768
	Mouse Re-writeable CD or DVD drive 16-bit soundcard Headphones with adjustable volume for candidates requiring a reader or taking a test involving audio
Admin rights	PC/Network Administration rights for installation
Protocols supported	TCP/IP
Player	Flash Player version 8
Minimum Requirements for Test Administrator Computer (as above plus)	
Processor speed	1.0 GHz
Memory (RAM)	512MB RAM
Hard Disk space	At least 1.5Gb of available hard disk space
Adobe application	Adobe Acrobat reader installed
Printer	Connection to a printer
Minimum Server Requirements	
Processor Speed	1.7GHz or above (single CPU Server) 1.2GHz or above (multiple CPU or dual core CPU Server)
Memory (RAM)	512MB RAM
Hard Disk space	Minimum 2Gb free space
Operating System	Windows 2000 Server (Service Pack 4 or later) Windows 2003 Server** Windows 2003 Server Release 2**
Network Infrastructure Guidelines	
Network Connection	1Gb LAN interface card
Cabling	Category 5/5e/6 UTP Cabling
Server Connection Speed	1Gb server connection
Workstation Connection	Switched 100Mbps connection recommended
Connection Sharing	Shared 100Mbps connections if necessary but a maximum of 24 users per switch feed. Hubs, where used, should not be cascaded

Administration Requirements
Workstation Requirements
Capacity for a minimum of seven candidates (8 PCs)
A spare capacity of one workstation for every seven
1 workstation within the same room as the candidate workstations to run administrative functions
Test Room Requirements
A quiet room or rooms, free from distractions and interruptions
A room or rooms and equipment dedicated to the test during the session
Good lighting, without disruptive glare on screens
Proper ventilation and heating (where necessary)
Walls free from display material
Appropriate furnishing to give candidates maximum comfort
Adjustable chairs
Adequate space at each workstation to allow candidates to take notes
Secure workstations. Seating arrangements should prevent candidates from being able to see a fellow candidate's screen. The minimum distance between the outer edge of one screen and the next should be 1.25 metres, unless the monitors are positioned back to back or separated by dividers high enough to prevent other candidates from overlooking the work of others. In this case, the minimum distance need not apply. However, if the screens are diagonally opposite and not separated by dividers, 1.25 metres may not be sufficient. The principal objective is to ensure that no candidate's work can be overseen by others, and Examinations Officers must take appropriate steps to ensure that this can be achieved.
A clock or clocks in the room visible to all candidates, or the provision of alternative arrangements
A means of summoning assistance (e.g. phone) and support contact details available in the test room for emergencies
Disabled access to the test room and to workstations, or the provision of alternative arrangements, e.g. a ground floor room.
Facilities for registration and ID checking
Requirements Outside the Test Room
None
Administrative Personnel
An Examinations Officer who will be available during all OCR CBT live sessions.
A minimum of one invigilator per room for each session. If there are more than 25 candidates in a room, there should be a further ratio of 1 invigilator to every 25 candidates.
The Examinations Officer and invigilator must be familiar with the emergency procedures for the test venue.

OCR computer-based tests will normally be administered at the centre, providing the centre has a venue which meets the following technical criteria, **or can be run at an external test venue** where authorisation has been given by OCR, for example where a candidate is in hospital on the day of the examination. An external test venue may be an appropriate multimedia room at a school or college or other venue suitable for computer-based testing but must meet the same technical criteria. The venue must have technical support personnel who will be available for during all OCR computer-based tests live sessions.